Experience Design: Re-architecting the Trust Equation Through a Human-centered Design Approach

Digital Services
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Table of contents

Background and scope of the research

Background of the research

- The experience design landscape has been constantly evolving. While the focus was initially on designing better products and services, firms are now focusing on designing more personalized and authentic ones using the principles of human-centered design

- Enterprises are increasingly realizing the importance of designing experiences that can help them acquire and retain customers. Good user experience is both a necessity and an advantage for firms to differentiate themselves from peers. In line with this, firms are evaluating and adopting a range of technologies and partnering with providers across the technology and design field

- With experience design becoming the fulcrum of customer experience transformation, IT service providers have been investing in strengthening their creative capabilities through acquisitions/partnerships with design firms and investments in design talent

- As COVID-19 has reemphasized the need to improve stakeholder experience, enterprises will need to prioritize their technology investments, develop a strategy for external collaboration, and adopt the right skill sets to compete with peers
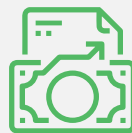
In this report, we focus on:

Understanding experience design	Applications of experience design	Experience design landscape and investments by different providers	Service provider imperatives	Recommendations for enterprises

Scope of this report

- **Geography:** Global
- **Services:** Design services

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Executive summary of market observations in experience design

With rapid adoption of digital transformation, enterprises are faced with rising user expectations and stiff competition from peers. With most designs focusing on technology or aesthetics as the starting point, enterprises fail to provide delightful user experience. Experience design aims to overcome this hurdle by establishing design practices focused on human outcomes.

Human-centered design

While enterprises have adopted numerous design methodologies in the past, experience design emerges as the all-encompassing design principle with a human-centric approach at its core. Experience design is not only limited to improving customer experience, but is also associated with enterprise experience as a whole

Partnership ecosystem

The experience ecosystem has become a four-way battleground for creative agencies, IT service providers, consulting organizations, and technology firms, with market participants investing in broadening their capabilities through acquisitions and investments in talent and technology

Enterprise investments and adoption

Enterprises are significantly leveraging technologies such as Artificial Intelligence (AI), Augmented Reality (AR), Virtual Reality (VR), and 5G to improve interactions and provide delightful experience to users. While most industries have invested in improving user experience using design principles, customer-facing industries such as retail and Consumer Packaged Goods (CPG) have fared better in terms of adoption than others
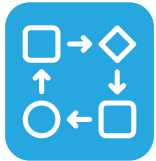
Next steps for enterprises

Enterprises need to address challenges such as executive buy-in, multi-disciplinary collaboration, and bringing on board the requisite design talent to create delightful experiences for their users

Designing better experiences for the post COVID-19 era

With COVID-19 accelerating the adoption of digital, experience design will be as much about creating delight as about overcoming uncertainty and fear in the minds of the user. Enterprises will need to leverage experience design to ensure a smooth user journey and gain competitive advantage over peers

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Experience design forms the central tenet for organizations aiming to strengthen their brand; below are four charts to illustrate the depth of the report

Understanding experience design

Comprehensive
Unlike other design processes, experience design encompasses both physical and digital touchpoints

Iterative
Experience design is iterative. The experience design team uses its results to continuously review and improve the initial assumptions and understanding of the end-user's experience

Human-centric

Collaborative
Experience design is collaborative in nature. Multi-disciplinary teams collaborate in an agile manner to generate ideas and develop relationships with different stakeholders

Measurable
Measuring user experience is imperative to understanding the effectiveness of any product/service that users interact with, and design teams have to develop metrics that can measure the same

Expanding beyond customer experience

STAKEHOLDER EXPERIENCE

Customer experience	Partner experience	Employee experience	Society experience
Managing the customer perception of a brand, both in terms of customer-touchpoint management and product/service design	Building channels to gather partner feedback, ascertain performance, and reward the right behavior	Considering employee experience to promote engagement, productivity, and safety	Considering the impact that an enterprise has on the society at large through its offerings and initiatives

The experience design lifecycle

Replace
Experience comes with a "sell by" date, needs to be replaced

Refine
Refine process not meeting KPIs, enhance KPIs for other processes

Measure/manage
Manage experience and measure against defined KPIs

EXPERIENCE DESIGN LIFECYCLE

1 **Conceptualize**
Conceptualize the experience to be built

2 **Design**
Design the flow (type of process, tech, org elements)

3 **Build/implement**
Implement tech, processes, tools, change mgmt., etc

The six stages of the experience design process are not always sequential and may occur in parallel.

Experience design adoption across different industries

Low ▮▮▮▮▮ High
Behavior modelling ◄──────► Behavior controlling

Industry	Adoption level	Behavior influence level	Key areas of investment	Case studies
CPG and retail	▮▮▮▮▯	◄──────►	Retail businesses are leveraging experience design to streamline shopping experience, create hands-on product experiences, and provide personalized services	H&M introduced an interactive mirror with speech and face recognition features that provides fashion advice, and allows QR code scanning for discounts and offers
Travel and tourism	▮▮▮▮▯	◄──────►	Hospitality firms are investing in experience design to create best-in-class guest experience and differentiate themselves from competitors	Carnival Corporation, a cruise operator, developed a guest experience platform that leverages data from smart digital technologies present in ships to sense and respond to guests' needs
Healthcare	▮▮▮▯▯	◄──────►	Designing unique experiences for patients and employees has become a key priority for healthcare providers	Portal Instruments has designed an alternative to the age-old needle and syringe technology by designing a needle-free computerized injection system that empowers patients to holistically manage their condition interactively

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Research calendar – Digital Services

Flagship Digital Services reports	Release date
Digital Services – Market Report 2019: Moving from Digital Readiness to Effectiveness	June 2019
Digital Interactive Services PEAK Matrix™ Assessment and Market Trends 2019	November 2019
Blockchain Services PEAK Matrix™ Assessment and Market Trends 2020	December 2019
Internet of Things (IoT) Services PEAK Matrix® Assessment 2020	April 2020
IoT Services PEAK Matrix® Assessment 2020 – Service Provider Compendium	April 2020
Digital Services – Market Report 2020: Entering the Digital by Default Era	May 2020
State of the Market – IoT Services	Q2 2020
Digital Interactive Services PEAK Matrix® Assessment 2020	Q3 2020

Thematic Digital Services reports	
BigTech Battle: Leading Internet of Things (IoT) Platforms Assessment – A Selection Guide	October 2018
Customer Experience Trailblazers – Experience Spearheading the Digital Economy	February 2019
BigTech Battle: Digital Experience Platforms Assessment – Rise of the Digital Experience Platform	June 2019
AI Masterclass	Recalibrate Your AI Impact – Insights From 230 AI Use Cases Across Industries	October 2019
Experience Design: Re-architecting the Trust Equation Through a Human-centered Design Approach	**June 2020**
BigTech Battle: Enterprise Data Platforms	Q3 2020
Making IT-OT Integration Work	Q3 2020

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Additional digital services research references

The following documents are recommended for additional insight on the topic covered in this report. The recommended documents either provide additional details on the topic or complementary content that may be of interest

1. **Digital Interactive Experience (IX) Services PEAK Matrix™ Assessment and Market Trends 2019 – The New Battleground** (EGR-2019-33-R-3312); 2019. Digital interactive experience is becoming a battleground and a key differentiator for enterprises at a time when significant digital investments are being directed toward enhancing customer experience. With enterprises demanding strong creative and technological capabilities from service providers, the ecosystem is witnessing acquisitions, consolidation, and hunt for niche talent. In this research, we present the assessment and detailed profiles of 18 digital interactive experience service providers featured on the digital interactive experience services PEAK Matrix

2. **Customer Experience Trailblazers – Experience Spearheading the Digital Economy** (EGR-2019-33-R-3075); 2019. **I**n this uber-connected world, customers are more connected with the enterprises than the enterprises realize. In fact, enterprises are now more accessible to customers than ever before. This has led to the rise of the experience economy with an increased focus on Customer Experience (CX). For an enterprise to deliver a superior customer experience, it needs to extend its CX strategy from its vision boards to employees, partners, and the brand as a whole. Keeping this in mind, enterprises need to revisit their CX strategy and take a more holistic and innovative approach

3. **BigTech Battle: Digital Experience Platforms (DXP) Assessment – Rise of the Digital Experience Platform** (EGR-2019-33-R-3201); 2019. Enterprises are investing in a range of solutions such as customer relationship management platform, campaign management tools, and data management platforms for enabling different aspects of DX. Taking this approach, they end up with a suite of fragmented solutions that are not interoperable. Enterprises should invest in Digital Experience Platform (DXP), which is a comprehensive suite of solutions enabling them to deliver a content-rich, seamless, and stakeholder-driven DX, encompassing all digital touch-points

For more information on this and other research published by Everest Group, please contact us:

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